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FILED

MAR 25 2014

**SECRETARY, BOARD OF
OIL, GAS & MINING**

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

NOTICE OF AGENCY ACTION FOR AN ORDER FORFEITING TO THE STATE OF UTAH ALL INTERESTS IN THE CERTIFICATE OF DEPOSIT #8517289131 IN THE AMOUNT OF \$40,000.00 BEING HELD BY WELLS FARGO BANK FOR AND ON BEHALF OF THE STATE OF UTAH; AND FORFEITING TO THE STATE OF UTAH THE SURETY BOND OKC605A213 IN THE AMOUNT OF \$80,000.00 PROVIDED BY AMERICAN SAFETY CASUALTY INSURANCE COMPANY; AND DIRECTING THE DIVISION TO USE THE SUMS FORFEITED FOR THE PLUGGING AND ABANDONMENT OF THE FOLLOWING WELLS OPERATED BY QUANECO LLC: CRANE 4-4; CRANE 12-4; STACEY HOLLOW 14-35; MURPHY RIDGE 1-32; AND CRANE 16-6 LOCATED IN RICH COUNTY, UTAH.

MOTION TO CONTINUE HEARING

Docket No.: 2014-013
Cause No.: 281-01

The Utah Division of Oil, Gas and Mining ("**Division**"), by and through its undersigned counsel the Utah Attorney General's Office, hereby respectfully moves the Utah Board of Oil, Gas and Mining ("**Board**") to continue hearing of the above-captioned matter from March 26, 2014 until June 25, 2014.

In support of this motion, the Division represents that it is currently working with Quaneco, the landowner, potential contractors, and other interested parties to resolve the issues raised by this matter without having the Board order forfeiture of Quaneco's bond. Specifically, the Division has been made aware that an agreement has been reached between Quaneco and a plugging contractor which will allow the contractor to begin plugging the wells in April. In order to provide sufficient time for that agreement to be carried out, the Division respectfully requests that the Board continue this matter to the June Board hearing.

Counsel for the Division contacted counsel for Wells Fargo with regard to this proposed continuance, and counsel for Wells Fargo had no objection to continuing the matter to the June Board hearing. Because the continuance will allow the parties more time to resolve this matter without Board action, no party will be prejudiced by the continuance. A [Proposed] Order Granting Division's Motion to Continue Hearing is attached for the Board's convenience.

Respectfully submitted this 25th day of March, 2014.

UTAH ATTORNEY GENERAL'S OFFICE



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CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing **MOTION TO CONTINUE HEARING** for Docket No. 2014-013, Cause No. 281-01, to be mailed with postage prepaid, via E-mail or First Class Mail, this 26th day of March, 2014, to the following:

Harrison Schumacher
22801 Ventura Blvd. Suite 200
Woodland Hills, CA 91364
And by email to: fatchanceog@aol.com

Quaneco, L.L.C.
22801 Ventura Blvd. Suite 200
Woodland Hills, CA 91364
And by email to: wnicholson@quaneco.com

CT Corporate System
Registered Agent for Quaneco
1108 East South Union Ave.
Midvale, UT 84047

American Safety Casualty Insurance Co.
100 Galleria Parkway, S.E. Suite 700
Atlanta, GA 30339
And by email to: www.amsafety.com

Wells Fargo Bank
3912 Gillette Business Banking Center
500 South Douglas Highway
Gillette, WY 82716

Wells Fargo Bank
Legal Order Processing
P.O. Box 29779
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**[PROPOSED]
ORDER GRANTING DIVISION'S
MOTION TO CONTINUE HEARING**

Docket No.: 2014-013
Cause No.: 281-01

The Board of Oil, Gas and Mining ("**Board**") having fully considered the Utah Division of Oil, Gas and Mining's Motion to Continue Hearing, and for good cause appearing, hereby enters its Order Granting the Division's Motion. This matter is hereby continued to the June 25, 2014 Board hearing.

ENTERED this ____ day of March, 2014.

**STATE OF UTAH
BOARD OF OIL, GAS AND MINING**

Ruland J. Gill, Jr., Chairman